



**North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Michael Moseley, Director

September 24, 2004

TO: LMEs/Area Program Directors

THROUGH: Michael Moseley

FROM: Flo Stein, Chief
Community Policy Management Section

This correspondence is to inform you that the Substance Abuse and Mental Health Services Administration (SAMHSA) finalized its Charitable Choice regulations applicable to States that receive Substance Abuse Prevention and Treatment Block Grants (SAPTBG), Path Grants, and SAMHSA substance abuse discretionary grants. The Charitable Choice legislation ensures that religious organizations can compete equally for federal substance abuse services from SAMHSA. Copies of the regulations, 42 C.F.R. Part 54, are available at www.dhhs.gov/fbcf/finalSAMHSA_ccregs.pdf.

Under Charitable Choice, States, local governments, and religious organizations, each as SAMHSA grant recipients, must: (1) ensure that religious organizations that are providers provide notice of their right to alternative services to all potential and actual program beneficiaries (services recipients); (2) ensure that religious organizations that are providers refer program beneficiaries to alternative services; and (3) fund and/or provide alternative services. The term "alternative services" means services determined by the State to be accessible and comparable and provided within a reasonable period of time from another substance abuse provider ("alternative provider") to which the program beneficiary ("services recipient") has no religious objection.

There are four main areas of responsibilities regarding the implementation of the Charitable Choice regulations. These areas are as follows:

- Religious Activities (Sec. 54.4/54a.4) – No SAPT Block Grant funds provided by SAMHSA or the State to organizations participating in applicable programs may be used for inherently religious activities such as worship, religious instruction, or proselytization. If an organization conducts such activities, these activities must be provided separately in time or location from the programs or services funded directly from SAMHSA or with SAPT Block Grant funds from the State.
- Religious Character (Sec. 54.5/54a.5) – Any religious organization receiving SAPT Block Grant funds or participating in any applicable program will maintain its independence of Federal, State and local governments and continue its mission including the definition,



practice and expression of its religious beliefs. However, the organization may not expend any SAPTBG funds or other funds from SAMHSA to support religious activities such as worship, religious instruction, or proselytization, but it may use space in facilities to provide substance use prevention and treatment programs without removing religious icons, art, scriptures, or other symbols.

- Alternative Services (Sec. 54.8/54a.8) – States, local governments and religious organizations that receive SAPTBG funds must: (1) provide notice of their right to alternative services to all potential and actual program beneficiaries (service recipients); (2) refer program beneficiaries to alternative services; and (3) fund and/ or provide alternative services. The state will provide you with a model notice for individuals receiving substance abuse services.
- Educational Requirements (Sec. 54.13/54a13) – The State or local government shall not discriminate against education and training provided to personnel by religious organization as long as education and training is comparable to that provided by nonreligious organizations, or is comparable to education and training the State or local government would otherwise credit for purposes of determining whether personnel of a program participant has a record of successful drug treatment for the preceding three years thus satisfying the State or local government requirements for education and training.

This is only a summary of the Charitable Choice provisions with emphasis on those directly impacting all recipients of SAPTBG funds from SAMHSA. For your information and future reference, attached is a copy of the federal regulations for Charitable Choice, 42 C.F.R. Chapter 1, Parts 54 and 54a.

Also attached is a copy of a model notice that must be displayed or posted in consumer areas of the facilities of nonprofit religious organizations.

If you have any questions, please call Terrie Bullard Qadura at 919-733-0696.

Attachments:

“Model Notice to Individuals Receiving
Substance Abuse Services
Charitable Choice Regulations,
2 C.F.R. Chapter 1, Parts 54 and 54a

cc: Secretary Carmen Hooker Odom	Patrice Roesler
Lanier Cansler	Carol Duncan Clayton
James Bernstein	Bob Hedrick
DMH/DD/SAS Executive Leadership Team	Dick Oliver
Mike Mayer	Kaye Holder
Robin Huffman	



Nonprofit Religious Organization

Model Notice to Individuals Receiving Substance Abuse Services

No provider of substance abuse services receiving Federal funds from the U.S. Substance Abuse and Mental Health Services Administration, including this organization, may discriminate against you on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice.

If you object to the religious character of this organization, Federal law gives you the right to a referral to another provider of the substance abuse services to which you have no religious objection. The referral, and your receipt of alternative services, must occur within a reasonable period of time after you request them. The alternative provider must be accessible to you and have the capacity to provide substance abuse services. The services provided to you by the alternative provider must be of a value not less than the value of the services you would have received from this organization.